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ATTENTION

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.



04049400

NOV 10 2004
FEDERAL RESERVE BANK
WASHINGTON, D.C.

OMB APPROVAL

OMB Number: 3235-0076

Expires: May 31, 2005

Estimated average burden
hours per response... 1

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SEC USE ONLY

Prefix

Serial

DATE RECEIVED

FORM D

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR
UNIFORM LIMITED OFFERING EXEMPTION

PROCESSED

NOV 10 2004

B

THOMSON
FINANCIAL

Name of Offering (check if this is an amendment and name has changed, and indicate change.)

ARCADIAN MANAGEMENT SERVICES, INC. SERIES B PREFERRED STOCK

Filing Under (Check box(es) that apply): ☐ Rule 504 ☐ Rule 505 ☒ Rule 506 ☐ Section 4(6) ☐ ULOEType of Filing: ☒ New Filing ☐ Amendment

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (check if this is an amendment and name has changed, and indicate change.)

Arcadian Management Services, Inc.

Address of Executive Offices (Number and Street, City, State, Zip Code)

825 Washington Street, Suite 300, Oakland, California 94607

Telephone Number (Including Area Code)

(510) 764-6305

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input checked="" type="checkbox"/> Executive Officer	<input checked="" type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)

Austin, M.D., John H.

Business or Residence Address (Number and Street, City, State, Zip Code)

Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input type="checkbox"/> Executive Officer	<input checked="" type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)

Kugelman, Lawrence N.

Business or Residence Address (Number and Street, City, State, Zip Code)

Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input type="checkbox"/> Executive Officer	<input checked="" type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)

Jaeger, Wilfred

Business or Residence Address (Number and Street, City, State, Zip Code)

Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input type="checkbox"/> Executive Officer	<input checked="" type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)

Hartshorn, Terry O.

Business or Residence Address (Number and Street, City, State, Zip Code)

Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)

Freeman, Nancy

Business or Residence Address (Number and Street, City, State, Zip Code)

Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)
Perkins, Cheryl

Business or Residence Address (Number and Street, City, State, Zip Code)
Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)
Zimmerman, Ken

Business or Residence Address (Number and Street, City, State, Zip Code)
Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)
Milbrandt, Chase

Business or Residence Address (Number and Street, City, State, Zip Code)
Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)
McManus, Jeffrey

Business or Residence Address (Number and Street, City, State, Zip Code)
Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

Check Box(es) that Apply:	<input type="checkbox"/> Promoter	<input type="checkbox"/> Beneficial Owner	<input checked="" type="checkbox"/> Executive Officer	<input type="checkbox"/> Director	<input type="checkbox"/> General and/or Managing Partner
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Full Name (Last name first, if individual)
Lontok, David

Business or Residence Address (Number and Street, City, State, Zip Code)
Arcadian Management Services, Inc., 825 Washington Street, Suite 300, Oakland, California 94607

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

A. BASIC IDENTIFICATION DATA

Check Box(es) that ☐ Promoter ☒ Beneficial ☐ Executive ☐ Director ☐ General and/or
Apply: Owner Officer Managing Partner

Full Name (Last name first, if individual)
Acacia Venture Partners *

Business or Residence Address (Number and Street, City, State, Zip Code)
101 California Street, Suite 3160, San Francisco, CA 94111

Check Box(es) that ☐ Promoter ☒ Beneficial ☐ Executive ☐ Director ☐ General and/or
Apply: Owner Officer Managing Partner

Full Name (Last name first, if individual)
Three Arch Partners *

Business or Residence Address (Number and Street, City, State, Zip Code)
3200 Alpine Road, Portola Valley, CA 94028

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

* After Close of Series B Round, entity will own less than 10% of equity securities.

B. INFORMATION ABOUT OFFERING

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering? Yes No
[] [X]

Answer also in Appendix, Column 2, if filing under ULOE.

2. What is the minimum investment that will be accepted from any individual? \$ NONE

3. Does the offering permit joint ownership of a single unit? Yes No
[] [X]

4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only. NONE
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Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)..... [] All States

[AL] [AK] [AZ] [AR] [CA] [CO] [CT] [DE] [DC] [FL] [GA] [HI] [ID]
[IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] [MI] [MN] [MS] [MO]
[MT] [NE] [NV] [NH] [NJ] [NM] [NY] [NC] [ND] [OH] [OK] [OR] [PA]
[RI] [SC] [SD] [TN] [TX] [UT] [VT] [VA] [WA] [WV] [WI] [WY] [PR]

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)..... [] All States

[AL] [AK] [AZ] [AR] [CA] [CO] [CT] [DE] [DC] [FL] [GA] [HI] [ID]
[IL] [IN] [IA] [KS] [KY] [LA] [ME] [MD] [MA] [MI] [MN] [MS] [MO]
[MT] [NE] [NV] [NH] [NJ] [NM] [NY] [NC] [ND] [OH] [OK] [OR] [PA]
[RI] [SC] [SD] [TN] [TX] [UT] [VT] [VA] [WA] [WV] [WI] [WY] [PR]

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OR PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box ☐ and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt	\$ <u>0</u>	\$ <u>0</u>
Equity	\$ <u>0</u>	\$ <u>0</u>
[X] Common Stock, par value \$.001 per share, into which the preferred stock is convertible ("Conversion Shares")		
[X] Preferred Stock - Convertible		
Convertible Securities:		
(a) 1,620,778 shares of Series B Preferred Stock, par value \$.001 per share ("Series B Preferred"), at a purchase price per share of \$1.925. 1/	\$3,119,997.65	\$3,119,997.65
(b) Series B-1 Preferred Stock issued upon automatic conversion of 450,000 existing shares of Series A Preferred Stock, par value \$.001 per share ("Series A Preferred").	\$ <u>2/</u>	\$ <u>2/</u>
Partnership Interests	\$ <u>0</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>
Specify _____).	\$ <u>0</u>	\$ <u>0</u>
Total	\$3,119,997.65	\$3,119,997.65
Answer also in Appendix, Column 3, if filing under ULOE.		

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number of Investors	Aggregate Dollar Amount of Common Stock Purchased
Accredited Investors	<u>13</u>	\$3,119,997.65
Non-accredited Investors	<u>0</u>	\$ <u>0</u>
Total (for filings under Rule 504 only)	<u>0</u>	\$ <u>0</u>
Answer also in Appendix, Column 4, if filing under ULOE.		

1/ Of the aggregate number of Series B Preferred issued at Closing, 218,182 shares were issued upon conversion of \$420,000 of the principal amount outstanding on a \$2,200,000 Secured Promissory Note.

2/ Upon purchase of Series B Preferred by 4 existing holders of shares of Series A Preferred, such 450,000 Series A Preferred shares will be converted into Series B-1 Preferred shares at a conversion rate of 1 to 1.

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OR PROCEEDS

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C-Question 1.

Type of offering	Type of Security	Dollar Amount Sold
Rule 505	<u>N/A</u>	<u>N/A</u>
<u>Regulation A</u>	<u>N/A</u>	<u>N/A</u>
Rule 504	<u>N/A</u>	<u>N/A</u>
Total	<u>N/A</u>	<u>N/A</u>

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees	<input type="checkbox"/> \$ <u>0</u>
Printing and Engraving Costs	<input type="checkbox"/> \$ <u>0</u>
Legal Fees	<input checked="" type="checkbox"/> \$ <u>32,000</u>
Accounting Fees	<input type="checkbox"/> \$ <u>0</u>
Engineering Fees	<input type="checkbox"/> \$ <u>0</u>
Sales Commissions (specify finders' fees separately)	<input type="checkbox"/> \$ <u>0</u>
Other Expenses (identify)	<input type="checkbox"/> \$ <u>0</u>
Total	<input checked="" type="checkbox"/> \$ <u>32,000</u>

- b. Enter the difference between the aggregate offering price given in response to Part C- Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer."

\$3,087,997.65.


C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OR PROCEEDS

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

	Payments to Officers, Directors & Affiliates	Payments To Others
Salaries and fees.....	<input type="checkbox"/> \$ <u>o</u>	<input type="checkbox"/> \$ <u>o</u>
Purchase of real estate.....	<input type="checkbox"/> \$ <u>o</u>	<input type="checkbox"/> \$ <u>o</u>
Purchase, rental or leasing and installation of machinery and equipment	<input type="checkbox"/> \$ <u>o</u>	<input type="checkbox"/> \$ <u>o</u>
Construction or leasing of plant buildings and facilities	<input type="checkbox"/> \$ <u>o</u>	<input type="checkbox"/> \$ <u>o</u>
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger) ...	<input type="checkbox"/> \$ <u>o</u>	<input type="checkbox"/> \$ <u>o</u>
Repayment of indebtedness on outstanding promissory notes ..	<input type="checkbox"/> \$ <u>o</u>	<input type="checkbox"/> \$ <u>1,020,000.00</u>
Working capital and general corporate purposes	<input type="checkbox"/> \$ <u>o</u>	<input checked="" type="checkbox"/> \$
Other (specify): _____	<input type="checkbox"/> \$ <u>o</u>	<input type="checkbox"/> \$ <u>o</u>
Column Totals	<input type="checkbox"/> \$ <u>o</u>	<input checked="" type="checkbox"/> \$ <u>2,067,997.65</u>
Total Payments Listed (column totals added).....		<input checked="" type="checkbox"/> \$ <u>3,087,997.65</u>

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) ARCADIAN MANAGEMENT SERVICES, INC.	Signature 	Date 11-6 , 2004
Name of Signer (Print or Type) John H. Austin, M.D.	Title of Signer (Print or Type) President	

ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)